

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 EB-07 /018 W
-----200512Z 096754 /12

R 200051Z MAY 77

FM AMEMBASSY MEXICO

TO USDOC WASHDC

INFO SECSTATE WASHDC 2267

AMCONSUL BELIZE

AMEMBASSY BOGOTA

AMCONSUL CALI

AMEMBASSY CARACAS

AMCONSUL GUADALAJARA

AMEMBASSY GUATEMALA

AMCONSUL GUAYAQUIL

AMCONSUL HERMOSILLO

AMEMBASSY LA PAZ

AMEMBASSY MANAGUA

AMCONSUL MARACAIBO

AMCONSUL MERIDA

AMCONSUL MONTERREY

AMEMBASSY PANAMA

AMEMBASSY QUITO

AMEMBASSY SAN JOSE BY POUCH

AMEMBASSY SAN SALVADOR

AMEMBASSY TEGUCIGALPA

ALL OTHER CONSULATES IN MEXICO (BY POUCH)

UNCLAS SECTION 01 OF 03 MEXICO 07914

FOR STERLING, OIM

E.O. 11652:N/A

TAGS: BEXP, MX

SUBJECT: END OF SHOW REPORT: COMPUTER EXHIBITION

1. NAME OF EVENT: COMPUTER EXHIBITION & SEMINAR, MF/BSP

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2. PLACE AND DATES: U.S. TRADE CENTER, MEXICO CITY, MAY
11-13, 1977

3. PARTICIPANTS: 16 (NTM-4, OTM-12)

3A. EXHIBITORS: 28 (NTM-8, OTM-20)

4. FLOOR SALES AT EXHIBITION, INCLUDING DOLLAR VALUE OF
MERCHANDISE TURNED OVER TO AGENTS AND DISTRIBUTORS:
\$57,000, (NTM-0, OTM-\$57,000)

5. EXPECTED TO BE SOLD OVER PERIOD OF NEXT 12 MONTHS AS

RESULT OF THIS EXHIBITION: \$8,000,000 (NTM \$2,260,000,
OTM \$5,740,000)

6. COMPANIES SEEKING REPS.: 4

7. REPS. SIGNED: NONE

8. REPS. EXPECTED TO BE SIGNED DURING NEXT 12 MONTHS: 5

8A. LEADS: 12

9. COMPANIES SEEKING JOINT VENTURES OR LICENSEES: NONE

10. JOINT VENTURES OR LICENSEES SIGNED: NONE

10A. JOINT VENTURES OR LICENSEES EXPECTED TO BE SIGNED
DURING NEXT 12 MONTHS: NONE

10B. LEADS: NONE

11. SALES LEADS: 324 (NTM 43, OTM 281)

12. REGISTERED ATTENDANCE: 1,342

13. MARKETING OBJECTIVES SUMMARY:

A. FIRMS FULLY ACHIEVING PRIMARY MARKETING OBJECTIVES: 13
(NTM 3, OTM 10)

B. FIRMS PARTIALLY ACHIEVING PRIMARY MARKETING OBJECTIVES:
3 (NTM 1, OTM 2)

C. FIRMS FAILING TO ACHIEVE PRIMARY MARKETING OBJECTIVES:
NONE

14. COMMENTS:

A. THIS WAS THE FIRST MEXICO TRADE CENTER SHOW EVER
DEVOTED EXCLUSIVELY TO COMPUTERS, ALTHOUGH PREVIOUS
BUSINESS EQUIP. SHOWS WERE PREDOMINANTLY COMPUTER
EQUIPMENT EXHIBITIONS AND INCLUDED OTHER ITEMS. WHAT
AMOUNTS ESSENTIALLY TO CHANGE OF NAME PRODUCED STARTLINGLY
IMPROVED RESULTS. IMMEDIATE SALES OF \$57,000 AND 12 MONTH
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PROJECTED SALES OF \$8,000,000 GREATLY EXCEEDED TOTAL
RESULTS OF TWO PREVIOUS BUSINESS EQUIP. SHOWS AND
REGISTERED ATTENDANCE OF 1,342 PERSONS EXCEEDED PREVIOUS
ATTENDANCE AT BUSINESS EQUIP. EVENTS BY OVER 200. EXCELLENT
RESULTS BELIEVED DUE THREE FACTORS: (1) BECAUSE OF MEXICAN
QUOTA RESTRICTIONS ON COMPUTER IMPORTS, THERE
HAS BEEN NO EXHIBITION OF COMPUTER EQUIPMENT IN MEXICO
FOR ABOUT TWO YEARS, (2) EVENT INCLUDED FIRST RATE SEMINAR
FEATURING TALKS BY EXPERIENCED END USERS ON PRACTICAL
APPLICATIONS AND PROBLEMS OF COMPUTERS, ALONG WITH THREE
NON-COMMERCIAL EXHIBITOR PRESENTATIONS AND (3) IMPORT
QUOTA HAS CREATED BACKLOG OF UNSATISFIED DEMAND,
PARTICULARLY IN MINI-COMPUTERS WHICH PRODUCT MIX OF THIS
EVENT WAS WELL TARGETTED TO SATISFY.

B. TOTAL ATTENDANCE OF 1,342 INCLUDED 117 PERSONS FROM
OUTSIDE MEXICO CITY METROPOLITAN AREA. LARGEST MEXICAN
GROUPS WERE FROM MONTERREY AND CUERNAVACA, WITH 14
VISITORS EACH, GUADALAJARA AND PUEBLA, WITH 12 EACH AND
TOLUCA, WITH 10 REGISTRATIONS; IN ADDITION, THREE

REGISTRANTS FROM COLOMBIA, TWO FROM BOLIVIA AND ONE FROM GERMANY. ATTENDANCE FROM U.S. TOTALED 14.
C. ALTHOUGH QUOTAS AND OTHER IMPORT RESTRICTIONS WILL PROBABLY MAKE IMPORTATION OF COMPUTERS DIFFICULT FOR NEAR TERM, TC BELIEVES IT IMPORTANT TO MAINTAIN AWARENESS IN MEXICAN MARKET OF RAPID DEVELOPMENTS TAKING PLACE IN THIS

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INFO OCT-01 ISO-00 EB-07 /018 W
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R 200051Z MAY 77
FM AMEMBASSY MEXICO
TO USDOC WASHDC
INFO SECSTATE WASHDC 2268
AMCONSUL BELIZE
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C. ALTHOUGH QUOTAS AND OTHER IMPORT RESTRICTIONS WILL PROBABLY MAKE IMPORTATION OF COMPUTERS DIFFICULT FOR NEAR TERM, TC BELIEVES IT IMPORTANT TO MAINTAIN AWARENESS IN MEXICAN MARKET OF RAPID DEVELOPMENTS TAKING PLACE IN THIS DYNAMIC U.S. INDUSTRY. U.S. MFRS. WILL THUS BE WELL PLACED TO TAKE ADVANTAGE OF ANY EASING IN IMPORT RESTRICTIONS IN

FUTURE. IT, THEREFORE, RECOMMENDS THAT CONSIDERATION BE
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GIVEN TO EARLY REPETITION OF COMPUTER AS MF-BSP EVENT.

15. SUGGESTED ARTICLE FOR COMMERCE AMERICA

A. TITLE: GOOD NUMBERS AT MEXICO COMPUTER SHOW

B. TEXT: THE UNITED STATES TRADE CENTER IN MEXICO CITY
HOSTED AN EXHIBITION OF COMPUTERS AND PERIPHERALS FROM
MAY 11-13, FEATURING THE PRODUCTS OF 28 AMERICAN MANUFAC-
TURERS. THE 1,342 VISITORS, INCLUDING VISITORS FROM COLOM-
BIA AND BOLIVIA, SAW A RELATIVELY SMALL BUT COMPLETE RANGE
OF EQUIPMENT, FEATURING MINI-COMPUTER SYSTEMS AND RELATED
PERIPHERAL EQUIP.

THE EXHIBITORS REPORTED A COMBINED TOTAL OF IMMEDIATE AND
PROJECTED SALES OF \$8,057,000. AMONG THE EXHIBITORS
REPORTING GOOD RESULTS WAS CALIFORNIA COMPUTER PRODUCTS,
INC., WHICH EXHIBITED A COMPUTER OPERATED PRGTTER AND
DISC DRIVES FOR ORIGINAL EQUIPMENT MANUFACTURERS. LOUIS R.
MEIER, JR., MARKETING MANAGER FOR THE FIRM, REPORTED
IMMEDIATE SALES OF \$57,000 AND PROJECTED SALES OF \$150,000.
MR. MEIER FELT THAT, ALTHOUGH HIS FIRM'S PLOTTER
PRODUCTS APPEALED ONLY TO A SPECIALIZED AREA OF THE OVERALL
DATA PROCESSING MARKET AND REQUIRED A LONG SALES CYCLE,
HIS FIRM COULD DEVELOP THE MARKET.

ANOTHER FIRM REPORTING GOOD RESULTS WAS INDUSTRIAS
DIGITALES, S.A. DE C.V., THE MEXICAN REPRESENTATIVE FOR
IMSAI MFG. CO., DIABLO SYSTEMS, INC., PROCESSOR TECHNOLOGY
CORP., NORTHSTAR COMPUTER, INC., AND MICRO-PROCESSORS
SYSTEM PERIPHERALS. JORGE MOLINA MONTES, DIRECTOR GENERAL
OF INDUSTRIAS DIGITALES, PROJECTED SALES OF \$1,500,000
OVER THE NEXT 12 MONTHS ON THE BASIS OF THE EXTRAORDINARY
& EXTRAORDINARILY POSITIVE RESPONSE TO HIS PRINCIPALS'
EQUIPMENT DURING THE EXHIBITION. MR. MOLINA REPORTED THAT
HIS PRINCIPALS' MICROCOMPUTERS, PRINTERS, TERMINALS AND
FLOPPY DISCS ALL ENJOYED GOOD INTEREST AND HE THOUGHT THE
EXHIBITION A "WONDERFUL EXPERIENCE".

THE ONE UNFORTUNATE FEATURE OF WHAT WAS OTHERWISE A VERY
SUCCESSFUL EXHIBITION WAS THE CONTINUING MEXICAN
GOVERNMENT RESTRICTION ON THE IMPORTATION OF COMPUTERS.
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THE GOVERNMENT ESTABLISHED A SYSTEM OF QUOTAS FOR COMPUT-
ER IMPORTS IN 1975 ON THE BASIS THAT THERE WAS MORE
COMPUTER CAPACITY IN MEXICO THAN COULD BE EFFECTIVELY
USED, PARTICULARLY IN GOVERNMENT AGENCIES. THE GOVERNMENT
FELT AT THAT TIME, AND CONTINUES TO FEEL, THAT THE

AVAILABLE CAPACITY SHOULD BE REDISTRIBUTED FOR MAXIMUM UTILIZATION BEFORE NEW CAPACITY WAS ALLOWED TO ENTER THE MARKET. THE GOVERNMENT PLANNED TO LEAD THE WAY BY SELLING OFF SOME OF ITS SURPLUS CAPACITY AND DID NOT WANT NEW EQUIPMENT TO COMPETE WITH ITS SALES EFFORT. THE IMPORT QUOTAS WERE ORIGINALLY SET A 80 PERCENT OF THE DOLLAR AMOUNT OF COMPUTERS IMPORTED IN 1974. IMPORTS, IN FACT, BECAUSE OF QUOTA EXCEPTIONS, EXCEEDED THIS FIGURE IN 1976 AND THE QUOTA FOR 1977 WAS INCREASED TO 100 PERCENT OF THE DOLLAR EQUIVALENT OF THE 1974 BASE YEAR. THE DEMAND FOR COMPUTERS IS SUCH THAT THE QUOTA FOR 1977 IS REPORTEDLY ALREADY EXHAUSTED. TRADE SOURCES ARE OPTIMISTIC, HOWEVER, THAT PROJECTED SALES REPORTED AT THE MEXICO CITY TRADE CENTER SHOW WILL BE REALIZED IN 1977, THROUGH EXCEPTIONS ALLOWED BY THE QUOTA ADMINISTERING AUTHORITY. DESPITE THE IMPORT PROBLEM, THE INDICATED MARKET FOR COMPUTERS IN MEXICO IS EXCELLENT AND, AT SUCH TIME AS THE QUOTA RESTRICTIONS MAY BE LIFTED, IT IS EXPECTED THAT IMPORTS WILL EXPERIENCE A SUBSTANTIAL INCREASE. (END ARTICLE)

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R 200051Z MAY 77
FM AMEMBASSY MEXICO
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AMCONSUL BELIZE
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16. CORRECT ATTENDANCE FIGURE (REFLECTING INCLUSION OF
ONSITE SEMINAR ATTENDEES) IS 1,575. INCORRECT FIGURE OF
1,342 CARRIED IN ITEM 12, LINE NINE OF PARAGRAPH 14A AND
LINE OF PARAGRAPH 14B. ALSO IN LINE 4 OF PARAGRAPH 15B.
5#9.0 9,

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Message Attributes

Automatic Decaptioning: X
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Disposition Comment:
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Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2438100
Secure: OPEN
Status: NATIVE
Subject: END OF SHOW REPORT: COMPUTER EXHIBITION
TAGS: BEXP, MX
To: COM
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/2824408f-c288-dd11-92da-001cc4696bcc
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